

CALIFORNIA MEDICAL ASSISTANCE COMMISSION

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**CALIFORNIA MEDICAL ASSISTANCE COMMISSION**

State Capitol, Room 113
Sacramento, CA

Minutes of Meeting
June 22, 2006

COMMISSIONERS PRESENT

Cathie Bennett Warner, Chair
Michele Burton, M.P.H.
Diane Griffiths
Teresa P. Hughes
Nancy McFadden

CMAC STAFF PRESENT

Keith Berger, Executive Director
Enid Barnes
Tacia Carroll
Paul Cerles
Denise DeTrano
Holland Golec
Katie Knudson
Ina Pewitt
Steve Soto
Becky Swol
Michael Tagupa

COMMISSIONERS ABSENT

Vicki Marti

EX-OFFICIO MEMBERS PRESENT

Toby Douglas, Department of Health Services
Bob Sands, Department of Finance

I. Call to Order

The June 22, 2006 open session meeting of the California Medical Assistance Commission (CMAC) was called to order by Commissioner Nancy McFadden. A quorum was present.

II. Approval of Minutes

The June 8, 2006 meeting minutes were approved as prepared by CMAC staff.

III. Executive Director's Report

Keith Berger, Executive Director, began his report by updating the Commissioners that Chair, Cathie Bennett Warner, would be late to the meeting, and she had requested that the meeting begin without her since the Commission had a full schedule.

Mr. Berger informed the Commissioners that they had a total of 30 amendments and contracts before them for their review and action today. He also mentioned that there were several negotiation updates as well as more extended discussions regarding negotiation strategies, including those related to the Distressed Hospital Fund. He said he hoped to make significant progress in that area.

Mr. Berger also noted that Bob Sands from the Department of Finance was present and then asked him if he had anything to share with the Commission regarding the budget.

Mr. Sands expressed he was glad to be present and apologized for his absence from recent CMAC Commission meetings, as he was working diligently on the budget.

Mr. Sands provided the Commission with an overview of the Medi-Cal budget. He reported that the May Revision proposed a \$1.7 billion increase for next year (\$700 million General Fund) with the total budget being \$35 billion (\$14.4 billion General Fund). The current year revised estimate is \$33.3 billion (\$13.7 billion General Fund). He said the caseload had a slight increase to 6.7 million beneficiaries from the current year estimate of 6.6 million, so most of the cost increase was due to inflation.

Mr. Sands informed the Commission of three substantial policy areas that may affect CMAC, one of them being funding for managed care rate increases. In addition, he said the Legislature approved \$18.6 million (\$9.3 million General Fund) that would create a pool of resources for the Department of Health Services to use for managed care plans they determine during the year are in financial distress.

Mr. Sands indicated that in January, the Administration proposed additional outreach to seniors and persons with disabilities to help them enroll in managed care plans. He said that part of that proposal was a private project to convert two counties into mandatory enrollment, which the Legislature rejected.

Mr. Sands concluded his update by informing the Commission of a second proposal that was made in January, which was to create a new type of managed care plan that would combine Medi-Cal and Medicare services called Access Care plans, which was referred to a policy committee, and so was not included in the budget.

Mr. Berger was pleased to announce that CMAC's new Research Associate, Becky Swol, began work last week, and will be an excellent complement to the current research staff.

Mr. Berger completed his report by reminding the Commission that the next CMAC meeting is on July 13, three weeks away rather than the normal two weeks.

IV. Department of Health Services (CDHS) Report

Toby Douglas, Assistant Deputy Director, Medical Care Services, CDHS, announced that he had nothing new to report.

V. New Business/Public Comments/Adjournment

There being no further new business and no comments from the public, Commissioner Nancy McFadden recessed the open session. Chair Bennett Warner opened the closed session, and after closed session items were addressed, adjourned the closed session, at which time the Commission reconvened in open session. Chair Bennett Warner announced that the Commission had taken action on hospital and managed care contracts and amendments in closed session. The open session was then adjourned.